

**EXHIBIT B**  
**PROCEDURES AND REQUIREMENTS**  
**Used Oil Recycling Block Grant (14<sup>th</sup> Cycle) for FY 2008/09**

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***Copies of these Procedures and Requirements should be shared with BOTH the Finance Department AND the staff responsible for implementing the grant activities.***

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**General Information**      These Procedures and Requirements of the California Integrated Waste Management Board's (CIWMB) Used Oil Recycling Block Grant Agreement describe project and reporting requirements, report due dates, report contents, grant payment conditions, eligible and ineligible project costs, publicity, education and copyright requirements, supporting documentation for all expenditures, overhead/indirect costs, projects completion and close-out procedures, records and audit requirements.

**Questions?**      All communication regarding this grant should be directed to your CIWMB Grant Manager unless otherwise specifically stated. To find the name and telephone number of your CIWMB Grant Manager, refer to [www.ciwmb.ca.gov/HHW/Grants/Contacts.htm](http://www.ciwmb.ca.gov/HHW/Grants/Contacts.htm).

The Grantee may also call the Financial Assistance Division, Grant and Loan Resources Branch at (916) 341-6457.

<b>Important Dates</b>	<div>July 1, 2008 – August 15, 2011</div> <div>July 1, 2008 – June 30, 2011</div> <div>August 15, 2009 August 15, 2010</div> <div>June 30, 2011</div> <div>July 1, 2011 – August 15, 2011</div> <div>August 15, 2011</div>	<div>Grant Term for Used Oil Block Grant, 14<sup>th</sup> Cycle (UBG14)</div> <div>Grant Performance Period</div> <div>Annual Report Due Annual Report Due</div> <div>Grant Performance Period Ends</div> <div>Report Preparation Period</div> <div>Grant Term Ends and Final Report Due</div>
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**Grant Performance Period, Grant Term and Report Preparation Period**      The Grant Performance Period begins on July 1, 2008, at which time eligible grant expenditures for UBG14 may start (subject to the Procedures and Requirements and Terms and Conditions of UBG13, until such time as the UBG14 Grant Agreement became effective). In all cases, all eligible UBG14 program costs must be incurred no later than June 30, 2011.

The Grant Term starts on the same date as the Grant Performance Period and ends on August 15, 2011, the date the Final Report is due to the CIWMB. The period between July 1, 2011 and August 15, 2011, is referred to as the Report Preparation Period. *Costs incurred to prepare the Final Report and Final*

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*Payment Request, if any, are the only costs that are eligible for reimbursement during the Report Preparation Period.*

NOTE THAT ALL REPORT PREPARATION COSTS MUST BE INCURRED PRIOR TO THE END OF THE GRANT TERM (AUGUST 15, 2011) TO BE ELIGIBLE FOR REIMBURSEMENT UNDER UBG14 AND THAT THEY WILL NOT BE ELIGIBLE FOR REIMBURSEMENT UNDER ANY OTHER UBG CYCLE. THEREFORE, NO EXTENSIONS FOR SUBMITTAL OF THE FINAL REPORT WILL BE GRANTED.

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**Prior To Commencing Work**

*Grant Self-Assessment Form and other Grant Forms*

Prior to commencing work under this Grant, the Grantee's Grant Manager and authorized Signature Authority should review the Grant Self Assessment Checklist Form, and other Grant Forms, so as to identify key administrative requirements. Evaluation of the Grantee's compliance with these requirements is a major part of all Grant audits.

As set forth more fully in the Terms and Conditions (Exhibit A), the Grantee shall submit with its Final Report a completed and signed Self-Assessment Form. To obtain the Grant Self-Assessment Form (CIWMB 641), contact the CIWMB Grant Manager, or go to <http://www.ciwmb.ca.gov/Grants/Forms/>.

*Reliable Contractor Declaration*

Prior to authorizing a contractor(s) to commence work under this Grant, the Grantee shall submit to the CIWMB Grant Manager a declaration from the contractor(s), signed under penalty of perjury, stating that within the preceding three (3) years, none of the events listed in Section 17050 of Title 14, California Code of Regulations, Natural Resources, Division 7, has occurred with respect to the contractor(s) and the subcontractor(s), respectively. See [www.ciwmb.ca.gov/Regulations/Title14/ch1.htm#ch1a5](http://www.ciwmb.ca.gov/Regulations/Title14/ch1.htm#ch1a5) to read the referenced Section of Title 14.

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**Where To Send Reports, Payment Requests, etc.**

Send Reports, Grant Payment Requests, and all other written correspondence to your CIWMB Grant Manager's attention at:

California Integrated Waste Management Board  
Financial Assistance Division  
Grant and Loan Resources Branch – MS #9A  
P.O. Box 4025, 1001 "I" Street  
Sacramento, CA. 95812-4025  
Attn: (your CIWMB Grant Manager's name)

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**General Requirements**

**Grantees must meet the minimum requirements at the beginning of the grant cycle to be eligible to expend funds. Eligibility includes having at least one Certified Collection Center (CCC) per 100,000 residents of the jurisdiction or a curbside collection program which includes used oil collection.**

**Grantees, or their subcontractors or consultants, must possess or acquire all applicable agreements/permits necessary to carry out the activities funded by the UBG and a copy or copies must be available for**

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**review upon request.** The Grantee is responsible to ensure that subcontractors who administer and/or implement the grant on behalf of the Grantee comply with the Grant Agreement.

UBG14 applicants who miss the June 30, 2008 application submission date or who miss the July 31, 2008 date for submission of local government resolutions will not be eligible for UBG14 but will retain their eligibility for subsequent UBGs if they submit an annual report for all other UBGs that is approved by the CIWMB Grant Manager by the report deadline.

Grantees who are invoiced for outstanding UBG funds may apply for UBGs and competitive grants, but any grants awarded will not be funded unless any outstanding invoices are paid within 90 days of the date the Board awards the grant.

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#### **Annual Site Visits**

**Annual site visits** to the Grantee's CCCs are a grant requirement during each fiscal year. Grantees must visit at least one CCC per 100,000 population. **Please submit site visit forms (CIWMB 664 or CIWMB 665) as soon as completed, to your CIWMB Grant Manager. Unless previously submitted within the current fiscal year, these forms must be submitted with the Annual Report.**

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#### **Grant Expenditures**

**All expenditures must be incurred, and payment made, with services provided and goods received during the Grant Performance Period, July 1, 2008 – June 30, 2011.**

- The Grantee must spend all of the available funds from the oldest UBG prior to spending any funds from more recent UBGs. For example, utilize all funds from the 13<sup>th</sup> cycle grant before showing any 14<sup>th</sup> cycle expenses on the Expenditure Itemization Summary (EIS).
- It is acceptable to split an invoice across two separate UBG cycles in order to "zero out" all funds in the oldest UBG before using funds from a more recent UBG.

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#### **Expenditures Requiring Grant Manager Approval**

Expenditures associated with the tasks or products listed below must be approved in writing by the CIWMB Grant Manager prior to purchase or production. Please retain all approvals for audit purposes. Items not pre-approved MAY NOT be an eligible expenditure and payment may be denied.

Allow at least five (5) working days for approval of the following items:

- Premiums if the per item cost exceeds six dollars (\$6, not including sales tax)
  - All television, video, and radio scripts
  - Storm water mitigation (refer to section below for details)
  - School presentations (submit script and presentation purpose)
  - Equipment, vehicles, and trailers
  - Purchase of re-refined oil for non-fleet promotion and distribution. CIWMB Grant Managers will ask grantees to demonstrate the following before making a decision regarding approval:
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- Confirm the availability of re-refined oil for sale in their community.
  - Provide information to the public on where to purchase the product.
  - Web-page development
  - Computer equipment and software
  - Travel expenses except for CIWMB-sponsored and/or co-sponsored Information Exchanges, conferences and workshops
  - Financial incentives (includes: sponsorships, stipends, etc.)
  - Planning, background, or feasibility studies
  - Audit expenses for UBG and Opportunity Grant cycles. Time and funds related to the audit should be described in the current UBG EIS and must be for an audit of specific cycle(s) of the UBG and/or Opportunity Grant conducted by the CIWMB, California Department of Finance and/or California State Controller's Office. Expenses for audits of the Grantee's entire organization, or portions thereof, which include a review of one or more UBG and/or Opportunity Grant cycles are not eligible for reimbursement.
  - Certified Unified Program Agency (CUPA) inspection fees of Certified and Non-Certified Used Oil Collection Centers with service bays (used oil is generated as part of business operations). CUPA inspection fees reimbursement must be proportionally related to the percentage of do-it-yourself (vs. do-it-for-me) used oil generated at the business.
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## Pre-Approved Expenditures

The expenditures listed below **DO NOT** have to be pre-approved by the CIWMB Grant Manager if they are related to the establishment, maintenance, or enhancement of used oil and used oil filter collection programs:

- **Travel expenses** for CIWMB-sponsored and/or co-sponsored Information Exchanges, state conferences and workshops
  - **Used oil collection**
    - Used oil and used oil filter collection (includes curbside and door-to-door)
    - Certified and non-certified used oil collection center support
    - Used oil collection through Household Hazardous Waste (HHW) Programs, including transportation costs of used oil
    - CUPA inspection fees of non-service bay (used oil is not generated as part of business operations) Certified and Non-Certified Used Oil Collection Centers.
    - Set up and operation of temporary facilities for one-day or multi-day HHW collection events where used oil will be accepted
    - Hazardous Waste Operations and Emergency Response Standard (HAZWOPER) 8-hour refresher training course for personnel who are directly involved with used oil and HHW collection
    - Agricultural used oil collection projects
    - Marina used oil collection projects
    - Airport used oil collection projects
    - Construction of Permanent HHW Collection Facility and Antifreeze, Battery, Oil, and Paint Facility (ABOP) where used oil is accepted – permanent features, used oil-related equipment and supplies are eligible
  - **Re-Refined Oil use for public fleets**
    - Cost differential between re-refined and virgin oil
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- Re-refined oil promotion for fleet managers
  - **Publicity and education materials**
    - Purchase and distribution of used oil containers, funnels, shop rags, coupons
    - Other premiums whose cost is less than \$6.00 and directly relate to and/or will be used for used oil and used oil filter collection and recycling needs and/or will be clearly linked to behavioral change that leads to an increase in used oil and used oil filter recycling.
  - **Personnel costs for used oil/used oil filter recycling activities**
    - Training costs directly related to used oil/used oil filter recycling activities
  - **Load checking projects** related to the identification of used oil
  - **Indirect or Overhead Costs** that do not exceed 10% of the grant funds reimbursed and are supported with a cost-allocation plan
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## Storm Water Expenses

Since January 2002, some storm water mitigation expenditures are considered eligible expenses. Storm water mitigation is defined in Public Resources Code Section 48618.4 to include "...the prevention of storm water pollution from used oil and oil byproducts and the reduction or alleviation of the effect of storm water pollution from used oil and oil byproducts by means of action taken on public property. Mitigation includes the installation of devices and implementation of practices that prevent used oil and oil byproducts from causing storm water pollution. Mitigation does not include the cleanup or restoration of polluted areas".

- **Storm water expenses may not exceed 50% of the UBG award.**
- All related storm water expenses such as personnel, publicity and education, stenciling, and storm water filter purchase/maintenance is counted towards the 50% cap.
- To be eligible, each jurisdiction must self-certify that it has a storm water mitigation program that has been approved by its local Regional Water Quality Control Board.
- All storm water expenses must be accounted for and reported on the Expenditure Itemization Summary.

### **The following types of storm drain filters (inserts; debris screens) are eligible:**

- A debris screen that covers the opening to the storm drain inlet. Regular municipal street-sweeping must occur where debris screens are installed;
- A catch basin (street side) inlet insert that **does not** contain oil absorbent media;
- A catch basin inlet insert that **does** contain oil absorbent media plus a debris screen that covers the opening to the storm drain inlet. (The debris screen prevents debris and sediment from entering the storm drain and obstructing the oil absorbent media.);
- A vertical drop-in parking lot inlet insert that **does** contain oil absorbent media (must be covered by a grate or debris screen).

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**Note:** Periodic clean-out of catch basin inlet inserts and replacement of their

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oil-absorbent media are eligible for grant funding. However, street sweeping, parking lot cleaning, and clean-out of catch basin inlets without inserts are not eligible for grant funding.

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## **Ineligible Expenditures**

Any expenditure that does not support the implementation of used oil and used oil filter collection programs is ineligible for UBG funding. The activities, products, or expenditures listed below are specifically identified as ineligible. The ineligible expenditures include, but are not limited to:

- Costs incurred prior to July 1, 2008, or after June 30, 2011
  - Costs incurred during the Report Preparation Period (July 1, 2011 – August 15, 2011), except for the costs incurred to prepare the Final Report and Final Payment Request, if any
  - Purchasing or leasing of land or buildings
  - Costs currently covered or incurred by another CIWMB loan, grant, grant cycle or contract
  - Purchasing of vehicles by non-governmental agencies
  - Leasing of gasoline-fueled vehicles (including hybrid vehicles) by non-governmental agencies unless pre-approved in writing by your CIWMB Grant Manager
  - Remediation (any cleanup or restoration of polluted areas)
  - HAZWOPER 40-hour and 24-hour courses
  - Enforcement activities
  - Profit or mark-up by the Grantee
  - Preparation of Household Hazardous Waste elements (HHWE)
  - Out-of-state travel
  - Developing or customizing school curricula
  - Overtime costs/ Compensated Time Off (except for local government staffing during specially scheduled evening or weekend events outside of staff's normal work hours when law or labor contract requires overtime compensation)
  - Any food or beverages (e.g., as part of meetings, workshops, or events)
  - Cell phones, pagers, cameras, personal digital assistants, and other similar electronic devices
  - Movie theater screen advertising
  - Premiums that contribute to the HHW waste stream
  - Transportation & disposal of non-oil HHW from any facility or event
  - Equipment, materials or supplies at HHW or ABOP facilities not directly related to the collection of used oil and used oil filters
  - Any costs not consistent with local, state, or federal laws, guidelines and regulations
  - **CUPA fines or penalties**
  - Travel expenditures that exceed the state rate (for hotel and meal rates, see [www.catravelmart.com](http://www.catravelmart.com) and click on "Lodging Reimbursement Rates" for hotel maximum rates and "DPA Lodging Reimbursement" for Meals and Incidentals and for Personal Vehicle Mileage Reimbursement)
  - Any personnel costs incurred as a result of time an employee assigned to the project funded by the grant does not work on the project (e.g.,
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use of accrued sick leave, accrued vacation, etc.)

- Any pre-paid expenditures for future goods or services delivered beyond the end of the Grant Performance Period (Exemption: The CIWMB Grant Manager may consider approving products purchased in full before the end of the Grant Performance Period but delivered after the Grant Performance Period if the delay is caused solely by the supplier, and not by the Grantee. The Grantee must request an exemption in writing and receive written pre-approval from the CIWMB Grant Manager. In no event may products be delivered after the end of the Grant Term.)
- Fines or penalties due to violation of federal, state or local laws, ordinances, or regulations
- Costs to maintain an existing HHW program where used oil is not collected
- Developing any type of permanent facility on non-local government-owned property,
- Expenses for audits of the Grantee's entire organization, or portions thereof that include a review of one or more UBG and/or Opportunity Grant cycles are not eligible for reimbursement
- Costs deemed by the CIWMB Grant Manager to be unreasonable or not related to the purpose of the grant.

#### **Overhead/Indirect Costs**

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Overhead and indirect costs can be claimed by Grantees. The following guidelines must be used when claiming these costs:

- The total cost of overhead and indirect cost charged to the grant shall not exceed 10% of the grant award amount. These costs are expenditures not capable of being assigned or not readily itemized to a particular project or activity, but considered necessary for the operation of the organization and the performance of the program. The costs of operating and maintaining facilities, accounting services, and administrative salaries are examples of overhead and indirect costs. All overhead and indirect costs charged to the grant must be associated with grant-related activities.

***If you are uncertain whether a given cost is considered an overhead/indirect cost by the CIWMB, contact your CIWMB Grant Manager.***

- Direct costs charged directly to the grant shall not be included in the overhead/indirect cost formula.
- Supervision performed by Managers and Supervisors can be included in the overhead/indirect cost formula; and therefore, will not be a direct charge to the grant. On the other hand, if a Manager or Supervisor performs an activity that is directly related to the execution of the grant (not supervision), costs associated with this activity may be included as a direct charge. Such activity must be **clearly supported** by appropriate documentation and shall not be charged to the grant as overhead or indirect cost.

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- The Grantee must maintain organized and accurate records that follow generally accepted accounting principles and leave an audit trail. The Grantee must provide access to all documents related to the grant

program and fiscal operation of the grant program as deemed necessary by the CIWMB.

- The Grantee must have on file an internally approved **Cost Allocation Plan** which specifically documents how the overhead rate was established and which is supported by formal accounting records to substantiate the charges. The Cost Allocation Plan must be approved by an appropriate Supervisor/Manager in your agency. The Cost Allocation Plan must identify program elements included in the overhead/indirect cost calculation. See the sample "Cost Allocation Plan" calculation listed below:

**Total department indirect cost *divided by* total department direct cost base equals the overhead/indirect cost rate.**

If the Grantee utilizes a contractor to administer and/or implement the grant, then the overhead and indirect costs of such contractor may be charged to the grant only to the extent that such costs could have been charged by the Grantee.

## Publicity And Education Requirements

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Premiums must be appropriate for the target audience; durable, and not likely to be disposed of in a short time or contribute to the waste stream or hazardous waste stream (e.g., any item containing batteries, mercury, etc.); and not promoting a particular brand-name products or private businesses. *Premiums must directly relate to and/or be used for used oil and used oil filter collection and recycling needs and/or be clearly linked to behavioral change that leads to an increase in used oil and used oil filter recycling.*

**For all languages other than English,** Grantee must work with a person fluent in reading and writing the language. A description of the translator's qualifications, as well as an English version of the material must be submitted with the Final Report. Of key importance is that the translated material is at a reading level appropriate for its targeted audience.

**Materials or items purchased may be denied full reimbursement if they do not meet the requirements detailed in this section.**

All items/materials, as appropriate, must meet the acknowledgement, advertising/public education, and recycled-content product requirement as set forth in the Terms and Conditions, and must include the following:

- a) Acknowledgement of the CIWMB funding and the Board's slogan that reads "Funded by a Grant from the California Integrated Waste Management Board"<sup>i</sup>. Use of the initials "CIWMB" is not sufficient. *Exception:* The acknowledgement line is not required on small items (pencils, magnets, etc.) where space constraints would not allow for
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this line or if it would interfere with the message.

- b) Specific information on used oil/used oil filter recycling/disposal.
- c) A list of used oil collection centers within the targeted community or a telephone number to call for information on local collection centers. When locations are listed, include the following language: "Call for hours of operation." (Use the 1-800-CLEANUP number [or [www.cleanup.org](http://www.cleanup.org) website] if your jurisdiction does not maintain its own 24-hour hotline.)"

The "Used Oil Drop" logo with the words "Recycle Used Oil" or "Recycle Used Oil and Used Oil Filters" as appropriate.

## **Copyright Requirements**

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The following language must appear on any copyrightable material produced with CIWMB grant funds:

Copyright language: © Copyright {year of creation} by the California Integrated Waste Management Board (CIWMB). All rights reserved. This publication, or parts thereof, may not be reproduced without permission from CIWMB.

For copyrightable material produced in Spanish, the following language must appear:

© Copyright {year of creation} California Integrated Waste Management Board (CIWMB). Todos los derechos reservados. Esta publicación, o partes, no puede ser reproducido sin permiso de CIWMB.

Examples of copyrightable material include but are not limited to:

- CDs and DVDs of audio and/or visual material
- Computer Software
- Brochures, pamphlets, and reproductions of advertisements designed for distribution

Please check with your CIWMB Grant Manager with specific questions about the applicability of using the copyright language.

## **Combining Used Oil With Other Environmental Programs**

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Both storm water and/or HHW recycling programs may be incorporated with the used oil recycling message on publicity and education (P&E) items. The funding level for the P&E portion for these programs will be determined on a case-by-case basis by the CIWMB Grant Manager. To be eligible for any funding, the proposal must meet the minimum requirements for Used Oil P&E, and clearly support all of the key components of the UBG program.

## **Graphics**

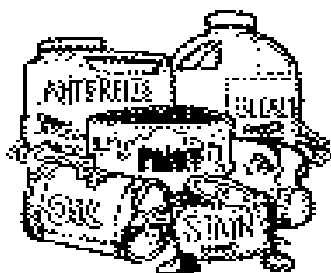
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Graphics are available on the CIWMB's website at: [www.ciwmb.ca.gov/UsedOil/graphics/default.htm#usedoil](http://www.ciwmb.ca.gov/UsedOil/graphics/default.htm#usedoil).) Use the State colors (blue oil drop on yellow background) on any material produced in four or more colors. (The color designation for professional printing is Yale Blue-Pantone 286C; Golden Yellow-Pantone 123C.)

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## Recycled-Content Product Requirements



All Grantees must report the percentage of recycled-content material for all products purchased in the product categories listed below. Grantees must use a separate Recycled-Content Product Certification Form (CIWMB 74G) for **each supplier** and submit them with the Final Report. The form can be found on CIWMB's website at: [www.ciwmb.ca.gov/HHW/Forms](http://www.ciwmb.ca.gov/HHW/Forms).

Paper Products	Printing & Writing Paper	Plastic Products
Compost & Co-	Glass Products	Lubricating Oils
Compost	Solvents	Tire-Derived
Paint	Steel Products	Products
Tires		

Any exceptions to the above requirements must be pre-approved in writing by the CIWMB Grant Manager.

## Large Equipment CIWMB Acknowledgement

A CIWMB sticker (bumper sticker size) that displays the “used oil drop” logo including the text “Recycle Used Oil” and “Funded by a grant from the California Integrated Waste Management Board” is required to be affixed to all large pieces of equipment purchased with grant funds. When submitting the Final Report, the picture of this equipment should include the affixed sticker. CIWMB has stickers available at no cost which may be requested from your CIWMB Grant Manager.

## Reporting Requirements

The Grantee must submit an Annual Report for each year of the approved grant project, as well as a Final Report which, after approval by the CIWMB Grant Manager, will enable the CIWMB to close the grant and release the 10% withhold. These reports are described below.

NOTE: All forms for the following reports can be downloaded from the CIWMB website at: [www.ciwmb.ca.gov/HHW/Forms](http://www.ciwmb.ca.gov/HHW/Forms).

## Annual Reports

Grantees are required to submit an Annual Report (CIWMB Form 644) on **August 15th** of each year demonstrating program progress and how they have spent their UBG funds for the previous fiscal year (July 1 – June 30). Grantees are required to report on each active UBG *in a single Annual Report*. The report must clearly identify each of the grant cycles and the activities conducted under each cycle. Grantees that do not show progress toward implementation of a used oil and used oil filter collection and education program may not

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receive all or part of the UBG allocation for the fiscal year beginning on July 1 of the year in which the Annual Report was submitted. This lack of performance will also be noted if Grantees apply for future Used Oil and/or HHW grants. Grantees will lose eligibility for the current grant cycle which began on July 1 if the grantee fails to submit the completed Annual Report by August 15 or fails to submit a completed report during a grace period determined by the Grant Manager. Grantees will not lose their eligibility for subsequent grant cycles if they submit a completed application during the next cycle's application period and meet the mandates of the Terms and Conditions and the Procedures and Requirements of all previous UBG cycles, including submission of all required completed reports. **Grantees will also be required to submit a statement explaining why they missed the Annual Report deadline and what corrective action they have taken to ensure future compliance. The corrective action must meet the approval of the CIWMB Grant Manager.**

## Final Report

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The Final Report is not required to be submitted on a specific form, but must include all of the information and additional documentation enumerated below. *The Final Report covers activities conducted between the last Annual Report and the end of the Grant Performance Period.* The Final Report may be submitted early if activities are completed and all funds expended before the end of the Grant Performance Period. **Costs incurred for preparation of the Final Report are eligible for reimbursement at any time during the Grant Term; however, during the Report Preparation Period (July 1, 2011 – August 15, 2011), costs incurred for preparation of the Final Report and Final Payment Request, if any, are the **only** costs that are eligible for reimbursement.** Grants are not considered closed until all the reporting requirements have been met, all available funding has been expended or returned to the CIWMB, and/or the grant term has expired. If an advance was approved, any unexpended advanced grant funds and/or interest accrued (if applicable) must be returned to the CIWMB or the Grantee will be invoiced by the CIWMB. *Note that no extensions will be given for submittal of the Final Report.*

### Additional items to be submitted for the Final Report

1. The last Annual Report Form if grant is completed by June 30 or a summary of activities completed since the last August 15 Annual Report if grant is closed early.

The following disclaimer must appear on the cover page of the report:  
*"The statements and conclusions of this report are those of the Grantee and not necessarily those of the California Integrated Waste Management Board, its employees, or the State of California. The State makes no warranty, express or implied, and assumes no liability for the information contained in the succeeding text."*

2. Certified Collection Center Site Visit Checklists (if not submitted earlier) (CIWMB 665)
3. Recycled-Content Product Certification Form (RCP) (CIWMB 74G)<sup>ii</sup> for each item purchased with grant funds (submit a separate form for each supplier).

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4. Samples of Premiums and Printed Material

- a. A digital image of each premium item in a commonly accepted format, and all final printed publicity and education materials. The photographs of the premiums must show compliance with requirements of the grant (i.e. oil logo, "Funded by grant from the California Integrated Waste Management Board". More than one digital image may be submitted if needed to capture all required components or to accurately illustrate the item. If compliance with procedures cannot be clearly captured in a photographic image, then an original copy of the premium item must be submitted.
  - b. A PDF copy of graphics is acceptable. The CIWMB Grant Manager may ask for a copy of the graphic in its original format.
  - c. Two photographs, from different angles, for large items such as equipment or structures.
  - d. A photograph of each event attended or conducted (if not previously submitted).
  - e. For Regional Programs that have developed printed materials (including item 5 below) with grant funds, only the lead agency is required to submit copies of the materials to the CIWMB; and include information as to who other regional participants are. Thus, Grantees participating in the Regional Program are not each required to submit copies of the materials, but each Grantee should reference the Regional Program in its Annual Report.
5. Samples of Final Television, Video and Radio Ads. A final copy of each ad (if not previously submitted) in the appropriate media format (DVD format for videos and CD-Rom for radio ads).

**FAILURE TO SUBMIT THE REQUIRED ANNUAL REPORTS BY THE SPECIFIED DEADLINES MAY CAUSE THE GRANTEE TO BE INELIGIBLE FOR THE CURRENT UBG CYCLE AND MAY RESULT IN INVOICING OR TERMINATION OF OTHER OPEN UBG CYCLES.**

**Payments**

**UBG funds will be disbursed on a reimbursement basis, with only the following exceptions:** the advance payment option is available for Grantees receiving \$20,000 or less; and at the CIWMB Grant Manager's discretion for multi-jurisdictional and regional grantees whose individual jurisdictions would have received \$20,000 or less had they applied individually. *The CIWMB Grant Manager will consider exceptions to the reimbursement policy for financial hardship situations on a case-by-case basis.*

**Advance Payment Option**

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Where advance payment has been approved, UBG recipients will receive 90% of their UBG award in advance once the Grant Agreement is fully executed and a signed Grant Payment Request is submitted. Advancement of funds is conditional upon full repayment of all outstanding UBG funds and interest owed to the CIWMB.

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The Grantee will have to incur eligible costs for the 90% advanced and the interest accrued; or return any unspent advanced funds to the CIWMB. If the Grantee chooses not to incur costs equivalent to the 10% withheld from the overall UBG amount, the CIWMB will retain the 10% withhold and close the grant.

If the Grantee incurs costs that cover all or part of the 10% withheld, the CIWMB will reimburse eligible costs. The remaining funds from the overall UBG amount will be released to the Grantee after 100% of grants funds have been expended and the Annual Report has been approved by the CIWMB Grant Manager.

**Note:** CIWMB will formally invoice any unspent advanced grant funds or interest accrued.

#### **Interest on Advance Payments**

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Interest earned for each UBG Cycle advance must be tracked and accounted for separately. Any unused interest accrued must be returned to the CIWMB at the end of the grant term. Grantees should contact their administration and finance office to establish a process to track and report this interest.

All grant funds must be placed in an interest-bearing account with a fully insured financial institution. Any interest accrued and received from this account may only be used after receiving prior written approval from the CIWMB Grant Manager and then may only be used for eligible expenses related to the grant. **Interest accrued must be stated on the FINAL EIS only.**

In cases where grant funds are forwarded directly to a contractor for expenditure, the Grantee is subject to the same requirements pertaining to tracking of accrued interest, unless the money is spent by the Grantee within 90 days of issuance of the funds to the Grantee. Therefore, the Grantee is required to impose upon any contractor to which it entrusts advanced grant funds the obligation to comply with the requirements of the Grant Agreement regarding interest. The Grantee is ultimately responsible for all advanced funds and accrued interest thereon.

The Grantee is responsible for ensuring that subcontractors who administer and/or implement the grant on behalf of the Grantee comply with the terms of this Grant Agreement.

#### **Reimbursement Payments**

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Most UBG funds will be paid by reimbursement payments. Under this payment method, the CIWMB retains 10% of the requested amount until the grant is closed out. The remaining 10% reimbursement payment (Withhold amount) will be released to the Grantee at the conclusion of the grant term once the Grantee has complied with all grant provisions.

To receive a reimbursement payment, Grantees must submit a completed EIS and Grant Payment Request Form. Reimbursement payment requests must be submitted no later than December 30, 2011. Once reviewed and approved, the payment reimbursement will be processed. Grantees may request up to four reimbursement payments per year, per cycle, and no less

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than one per year, per cycle. Exceptions to this schedule must be pre-approved in writing by your CIWMB Grant Manager

## Submittal of Payment Requests

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### Required Documents and Format for Payment Request

A complete payment request must include the following items in the order listed in addition to a brief narrative that explains for what activities the expenses were incurred, if the payment request is not submitted with the annual report. (The CIWMB Grant Manager may require additional narrative to fully understand the nature of the expenditures).

1. **Grant Payment Request Form** (CIWMB 87) – This form must be signed by the individual authorized by the resolution.
2. **Expenditure Itemization Summary** (CIWMB 667 or Grantee's own version) - All expenditures must be itemized and arranged by the Reporting and Expenditure Categories.
3. **Personnel Expenditure Itemization Summary** (CIWMB 165) – Only applicable to consultants and grantee's staff.

**Note:** All expenditures must be accompanied by documentation that describes the EIS categories for which the funds were spent, when they were spent, who did the work or spent the funds and the invoice numbers associated with the spent funds. Please contact your CIWMB Grant Manager for approval if you intend to provide some other form of supporting documentation.

## Expenditure Itemization Summary (EIS)

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Grantees are required to submit the EIS Form (CIWMB 667) covering expenses for the previous fiscal year (July 1 – June 30) by grant cycle or for any period in which expenses were incurred. ***Please contact your CIWMB Grant Manager for pre-approval if you intend to provide some other form of supporting documentation.***

Use the reporting and expenditure categories listed below when preparing the EIS. Only directly applicable eligible expenses should be included. Summarize all of the expenses that were incurred by grant cycle over the 12 month reporting period and use only the categories that are applicable to the Grantee's grant program, including personnel costs related to that task(s). For each category, identify the related tasks and expenses. If there is more than one invoice from a company, list them separately on the EIS. Include invoice numbers.

**Permanent Collection Facilities** – Includes eligible expenses for collection centers, PHHWC and ABOP facilities. **Do not** include publicity and education or oil containers in this category.

**Temporary or Mobile Collection** – Eligible expenses for temporary events at an established facility, and mobile events.

**Residential Collection** – Curbside or door-to-door collection of used oil and used oil filters.

**Load Checking Program** – Inspection of loads for used oil at solid waste landfills or transfer stations.

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**Publicity and Education** – All eligible publicity, public education, and community outreach events (except those related to storm water education).

- A partial list of examples includes newspaper ads; radio spots; public service announcement TV spots; flyers; brochures; door hangers; utility bill inserts; billboards; collection center handouts (such as “shelf talkers”), and premiums.
- Material/supply expenses for community events and school presentations should be included in this category.
- Local government personnel expenses should be placed into the Personnel/Other category.

**EIS Certification** - The EIS MUST include the following certification:

*“I certify under penalty of perjury under the laws of the State of California, that the above information is correct and that all funds received have been expended in accordance with the Used Oil Recycling Block Grant.”*

The certification MUST be dated and signed by the Signature Authority specified in the Grantee’s resolution. An EIS received without the signed certification will not be approved.

#### **Personnel Expenditure Itemization Summary (PES)**

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**Personnel Expenditure Itemization Summary (CIWMB 165)** for Grantee staff as well as consultants and subcontractors or an equivalent form (if pre-approved in writing by the CIWMB Grant Manager) must be submitted to document all grant-related personnel costs. *In consideration of the sensitivity of the data that may be contained on the payroll journal/register, personnel time logs or copies of timesheets, a Grantee may not want to submit these forms to the CIWMB. As an alternative, the Grantee may submit the PES or equivalent form with two signatures (Signature Authority and/or staff from the Personnel or Accounting Office) verifying the information is accurate. Grantees must retain payroll journals/registers and personnel time logs/timesheets for audit purposes.*

***Please contact your CIWMB Grant Manager if you have any questions.***

#### **Supporting Documentation for Expenditures**

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Documentation for all expenditures claimed on the Grant Payment Request **must** be retained for a minimum of three years after closeout of the grant term for audit purposes. (see Audit/Records Access in Terms and Conditions (Exhibit A).

Retain the original documents at your office. Types of acceptable documentation include but are not limited to:

- **Invoices** that include vendor’s name, telephone number and address; a description of goods or services purchased; amount due; and date and must be accompanied by proof of payment (e.g., copies of cancelled checks)
  - **Receipts** that include the same information as invoices.
  - **Purchase orders** that include the same information as invoices and must be accompanied by proof of payment (e.g., copies of cancelled checks)
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- **Personnel Expenditure Summary Form** (CIWMB 165 or your own version if pre-approved) that documents actual time spent on grant-related activities
  - **Travel Expense Form** (CIWMB form or your own version) that documents costs related to travel and includes supporting documentation
  - **Samples** of all publicity and education materials purchased or developed with grant funds
  - **Proof of Payment** (e.g. copies of cancelled checks and/or documented payment within the financial records.)
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#### Ten Percent Withhold

Ten percent of grant funds will be withheld from each Grant Payment Request and paid at the end of the grant term when all reports and conditions, stipulated in the Grant Agreement, have been satisfactorily completed. For Grantees with reimbursement grants, the 10% withhold will be released when Final Report has been approved by the CIWMB Grant Manager. For Grantees who have received Advance Payments, the 10% withhold will be released when the CIWMB Grant Manager has approved the Final Report and verified through documentation submitted by the Grantee that 100% of the advanced grant funds have been expended.

#### Audits

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Documentation and a clear audit trail are essential to grant management.

The Grantee agrees to maintain records for a possible audit for a **minimum of three years after final payment or grant term end date, whichever is later**, unless a longer period of records retention is stipulated, or until completion of any action and resolution of all issues which may arise as a result of any litigation, dispute, or audit, whichever is later.

*Examples of audit documentation include, but are not limited to, expenditure ledger, payroll register entries, time sheets, personnel expenditure summary form, travel expense log, paid warrants, contracts and change orders, samples of items and materials developed with grant funds, invoices and/or canceled checks.*

Refer to the Terms and Conditions (Exhibit A) for more information.

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<sup>i</sup> There are only two acceptable Spanish translations: "Financiado por una beca del California Integrated Waste Management Board" or "Patrocinado por fondos del California Integrated Waste Management Board." For other languages, you must work with a certified translator or person fluent in reading and writing that language.

<sup>ii</sup> For information on minimum recycled-content products, see [www.ciwmb.ca.gov/BuyRecycled/StateAgency/](http://www.ciwmb.ca.gov/BuyRecycled/StateAgency/).